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Lafayette, Louisiana
September 13, 2001

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Hon. Philip N. Asprodites
Office of Conservation
Commissioner of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: TP-1 Sand, Reservoir A
MANILA VILLAGE FIELD
Jefferson Parish, Louisiana

Dear Commissioner Asprodites:

Application is hereby made on behalf of **STONE ENERGY CORPORATION** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters:

1. To establish rules and regulations and to create drilling and production units for the exploration for and production of gas and condensate from the TP-1 Sand, Reservoir A, in the Manila Village Field, St. Martin Parish, Louisiana, said units to be designated TP-1 RA SUA, TP-1 RA SUB and TP-1 RA SUC, all as shown on the plat attached hereto and made a part hereof.

2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation.

3. To designate a unit operator and a unit well for each of the units created herein.

4. To provide that wells drilling or permitted to and/or completed in the TP-1 Sand, Reservoir A, in the Manila Village Field, should be located no closer than 1,200 feet from other wells drilling or permitted to and/or completed in said reservoir and no closer than 330 feet from the nearest unit line.

5. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing should the producing characteristics of such reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.

6. To consider such others matters as may be pertinent.

The TP-1 Sand, Reservoir A, in the Manila Village Field, is hereby defined as being that gas and condensate bearing sand encountered between the depths of 13,414 feet and 13,561 feet (electrical log measurements) (true vertical depths of 13,271 feet and 13,405 feet) in the Stone Energy Corporation (formerly L.L.&E.) – L.L.&E. Fee No. 1 Well, located in Section 21, Township 18 South, Range 24 East, Jefferson Parish, Louisiana.

Pertinent data, including well logs, may be obtained **AT THE COST OF THE REQUESTING PARTY** from Bill McAlister, Leon Comeaux & Associates, P. O. Box 53922, Lafayette, Louisiana 70505, Telephone No. 337/233-9839.

Pursuant to the Rules of Procedure, a pre-application conference was held on September 7, 2001, in Lafayette, Louisiana, at which the parties named on the attached list were in attendance. The conference was opened by Mr. Bill McAlister, representing the applicant, who explained the bases for the applicant's proposals. Several questions were asked and answered. Mssrs. Randy Songy and Holmes Smart, representing Ocean Energy, Inc., then presented a counterplan and answered questions regarding same. A resolution of differences was not reached, and the conference was then adjourned. Opposition at the hearing is expected.

A suggestion was made by a party in attendance that it would be more appropriate to use the intercept of the sand rather than the bottomhole location of the Stone Energy Corporation – L.L.&E. Fee No. 3 Well in fixing the west boundary of the applicant's proposed TP-1 RA SUA. The applicant has incorporated this suggestion in its current unit proposal which caused very slight changes to the unit boundaries. Also, because the applicant now has more definite plans to drill its proposed L.L.&E. Fee No. 4 Well, it proposes an additional unit, the TP-1 RA SUC, to accommodate its future drilling plans, all as shown on the plat attached hereto. This possibility was discussed at the conference; however, should any party wish to further confer regarding the applicant's revised proposals, the undersigned should be notified.

Attached hereto and made a part hereof is a revised plat outlining the applicant's unit proposals, the conference attendance list and a list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom a copy of this application is being mailed. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation; however, the list of parties will be furnished to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

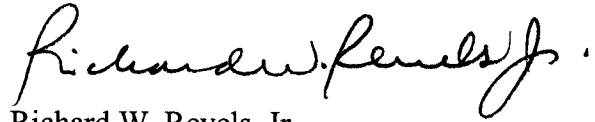
September 13, 2001

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Finally, enclosed is our check on behalf of the applicant, in the amount of \$700.00, made payable to the Office of Conservation representing the required hearing application fee.

Very truly yours,

A handwritten signature in cursive script, reading "Richard W. Revels, Jr.", written in dark ink.

Richard W. Revels, Jr.

RWRjr/dbf
Attachments

cc: Mr. Richard Hudson
Office of Conservation
825 Kaliste Saloom
Brandy Wine III, Suite 220
Lafayette, LA 70508

cc: Interested Owners, Represented Parties
and Interested Parties

81760.0120
77725_1.DOC

18

R 24 E

17

16

LL & E Fee

LL & E Fee

LL & E Fee

LL & E Fee

LL & E Fee

28

LL & E

12650'

29

NOTE: ALL BOUNDARIES ARE GEOGRAPHIC

T 18 S

19

TP-1 RA SUC
L.L. & E. NO. 4
160 ACRES

4
PBHL

14182' MD
13458' VB

TP-1 RA SUB
L.L. & E. NO. 2
160 ACRES

20

14230'

TP-1 RA SUA
L.L. & E. NO. 1
160 ACRES

13750' MD
13579' VD

Sierra

13100'

Atlantic
SL 4457

14500'

EXHIBIT NO. DOCKET NO.

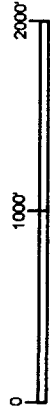
STONE ENERGY CORP.

MANILA VILLAGE FIELD
JEFFERSON PARISH, LOUISIANA

PROPOSED UNITS

TP-1 SAND

Geology by: William S. McAlister, Jr.



DATE:

LEON E. COMEAUX & ASSOC. GEOLOGISTS